GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4809
ANSWERED ON:19.04.2001
COMMITTEE ON ONGC
JAI PRAKASH

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Mackenzie Committee constituted for giving recommendations on ONGC has since submitted its report to the Government;

(b) if so, the salient features of the report; and

(c) the measures proposed to be taken by the Government on the basis of the report?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (c) : Oil and Natural Gas Corporation Ltd.(ONGC) had, in March, 1997, initiated aproject for restructuring of the Corporation in consultation with M/s Mc Kinsey and Company Incorporated, international management Consultants.The recommendations of the Consultants were received by ONGCin phases over a period of time during the years 1997 to 1999. The recommendations of the Consultants highlighted the need to have a greater focus on ONGC`score activities of finding and producing oil and gas, better management of skills and expertise in oil field services, greater commercial and performance accountability and quicker decision making by decentralisation. The operative recommendations of the Consultant, interalia, included the need for focussed attention on structural changes; and also changes in systems and procedures in the areas of exploration, reservoir management, drilling, material management, logistics, human resources, budgeting & costing, performance management systems research and development Institutes and information services. ONGCas a `Navratna` Public Sector Undertaking enjoys substantial autonomy in its operations. While some of the recommendations of the consultants are already under various stages of implementation, the rest are receiving attention of the management of ONGC.At present, the Government has no proposal under its consideration for any change in the organisational structure of ONGC.However, the process of review by the Government of the performance of Public Sector Undertakings, like the ONGC, is a continuous one.